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**Economic development in Africa: South–South cooperation:
Africa and the new forms of development partnerships**

**Draft report of the Trade and Development Board on its
fifty-seventh session**

Held at the Palais des Nations, Geneva, from 15 to 28 September 2010

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II. President's summary

Economic development in Africa: South–South cooperation: Africa and the new forms of development partnerships

1. The Trade and Development Board held a high-level panel session and an interactive debate on South-South Cooperation: Africa and the New Forms of Development Partnership. The *Economic Development in Africa Report 2010* on the same theme, published by the UNCTAD secretariat, formed the basis for the discussions and debate. The report argued that South–South cooperation had the potential to enhance Africa's capacity to address its development challenges but that the full realization of the benefits required gearing cooperation more towards economic transformation and the development of productive capacities in the region.
2. Several participants noted that there had been a long history of Africa–South cooperation but that the relationship had undergone qualitative changes in recent years. In particular, the focus of cooperation between Africa and other developing-country regions had shifted from political to economic issues, with trade being the most significant vector of those relationships. The importance of technical cooperation in the growing partnership between Africa and non-African developing countries was also underscored.
3. Many participants stated that Africa–South cooperation had helped the region to fill gaps in critical areas neglected by traditional partners. In that context, they welcomed the fact that Africa's developing-country partners increased investments in the infrastructure and production sectors at a time when traditional partners shifted focus from the production to the social sectors. They also expressed the view that Africa's growing relationship with non-African developing countries had given the region hope and should be welcomed and strengthened.
4. The role of Africa–South cooperation in helping the region build resilience to external shocks was also discussed. It was pointed out that cooperation with developing countries had enabled Africa to diversify its export markets, thereby reducing vulnerability to country-specific shocks. Furthermore, one of the lessons of the financial crisis was that the world could no longer depend on developed countries as the sole engine of growth. Large developing countries were growing faster than developed countries and were forecast to lead recovery from the current crisis. Consequently, African countries should enhance cooperation with developing countries as a way to build resilience to shocks.
5. Participants expressed concern that Africa's cooperation with other developing-country regions was reinforcing commodity dependence and replicating the current pattern of Africa's trade with developed countries in which the region exports commodities and imports manufactures. In that regard, they stressed the need for African countries and their developing-country partners to reverse that trend. Participants also called for more investments in infrastructure, appropriate technology transfer, and support for regional integration. Given the importance of regional integration in Africa's development, developing-country partners were urged to ensure that increasing cooperation with the region reinforces rather than hinders regional integration efforts.
6. Many participants called on African countries to have a well-defined strategy for cooperation with developing-country partners to ensure that their development needs were addressed. Furthermore, participants emphasized the need for developing countries to have

clear rules for South–South cooperation to ensure more constructive partnerships and win–win benefits.

7. Several participants pointed out that Africa–South cooperation would yield more benefits to the region if it supported the development priorities of African countries and avoided the shortcomings of Africa’s partnership with developed countries. Some of the shortcomings included a shift of focus by developed-country partners from production to the social sectors, their focus on national programmes at the expense of regional integration, provision of low and inappropriate technology transfer, and growing commodity dependence. Furthermore, they stressed the need to widen the scope of cooperation to include smaller countries as well as non-resource sectors. The lack of information and reliable statistics on Africa–South cooperation was also highlighted as inhibiting a rigorous assessment of the impact of these partnerships.

8. Participants noted that Africa–South cooperation complemented rather than substituted for relations with developed-country partners. In that context, they called upon developed-country partners to support Africa–South cooperation, perhaps through strengthening triangular cooperation and sharing of experiences in implementing development and poverty reduction strategies. They also called on developed-country partners to promote a more positive image of Africa as an important mechanism for attracting investment and enhancing growth in the region.

9. Participants welcomed the recommendations of the report and thanked UNCTAD for preparing such an in-depth and thought-provoking report on a very important and timely subject. They urged UNCTAD to use the recommendations of the report to fuel debate on the subject and also enhance collaboration between Africa and transition economies. It was noted that the full advantages of the Global System of Trade Preferences (GSTP) among developing countries had not been fully exploited. In that regard, several participants called upon UNCTAD to look closely into the existing frameworks of cooperation and partnership among developing countries and regions in order to further increase their effectiveness as engines of economic development.

10. Participants underscored the need for UNCTAD to continue its research work on Africa and to be forward-looking. In that context, it was pointed out that the 2015 target date for the Millennium Development Goals (MDGs) was fast approaching and that UNCTAD should help African countries articulate their post-2015 strategies. Participants also called upon the Secretary-General of UNCTAD to review the human resource requirements of the Division for Africa, Least Developed Countries and Special Programmes and to report to the next regular session of the Trade and Development Board with a plan to provide the Division for Africa, Least Developed Countries and Special Programmes with adequate resources, while respecting UNCTAD’s agreed overall budget level.
